

The Perfect RIA, Episode 69: Corona Virus

With coronavirus around the world, you might want to know how to handle difficult situations like this now and in the future. Clients who said they are satisfied with the plan and everything you're doing for them, suddenly become nervous and unsure. This might tell you that they don't believe 100% in their plan. Let's find out why could that be.

You should never argue with your clients. If they call you to express their concerns about the current situation, be prepared. Matthew never lets himself to say a hard no to a client. What's more, he agrees with them and then gently gives them his opinion on what's happening and how to react. That's what your clients expect from you, to help them in difficult times. If you have enough time, prepare for the call earlier, check out their files, be ready to give them some examples based on numbers and try to show them that what you're doing is working even during the crisis.

Focus on the client's personal goal. They are usually not worried about the market going up and down because that's something happening regularly, but they are concerned about how it will affect them in the future. Try to figure out what is that they are afraid of and find the solution. Be calm while talking to them, they will see your reactions and if you are nervous, they will be nervous as well. Out of 150 Matthew's clients only two or three call him to check on their accounts. If you have bigger number of clients calling you and if you see that somehow the communication with them is not what you wish it was, it might mean that you aren't a good fit for them.

Prepare your clients for worse times. Micah likes to do that by saying they have "an all-weather portfolio". Matthew likes to remind his clients about 2018 when the markets fell 20% and how that worked out for those who stuck with their plans. Don't try to tell your clients what to do, simply remind them that this is something normal and is happening all the time. Try to convince them to stop figuring it out themselves.

Apart from preparing yourself, you also need to prepare your staff. All of you have to be ready for your clients' concerns and you need to be able to address them professionally. What Matthew did at the very beginning was picturing a my-client-is-very-angry scene in his head. Then he would practice the answer to be prepared just in case it happened someday. Usually, you will not have your clients running in your office being furious, which is good. But you and your staff need to be prepared for all the situations that might come up.

Action Items

1. **Take action.** Whether it's something we talked about this week, or on another episode, commit to improving something every week, even if it's a marginal.
2. **Be consistent.** Whether it's "buckets of money" or guardrails, your process with each client should be constant, even if the individual recommendations are different. Backstage Pass members will have access to copies of client newsletters that Matthew's firm sends out every quarter to give you an idea of how he's delivering a consistent message every quarter: "Here are the steps we've been taking to be prepared for whatever bad comes next. Not if it comes, but when it comes."
3. **Be proactive with clients.** Don't hesitate to reach out to clients to check in, reassure them, and make sure they are still comfortable with the plan. This goes double for newer clients, who may require extra handholding. In the earlier stages of his career, Matthew committed to calling (not emailing) five clients a week just to see how they were doing. It did wonders for client satisfaction and referrals.
4. Sign up for Backstage Pass. For a limited time, there is open enrollment for access to extended podcast content, webinars, video tutorials, and their "5x Promise." If you aren't able to take in 5x what you paid for Backstage Pass, TPR will refund

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